PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, August 20, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, August 13, 2009.

6690-CG-161 – Application of Wisconsin Public Service Corporation, as a Gas Public Utility, for Authority to Construct its South Wausau Gate Station Re-build Project in the Village of Weston, Marathon County, Wisconsin

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

20-CW-102 – Application of Adams Municipal Water and Sewer Utility, Adams County, Wisconsin, to Construct Well No. 5

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

160-CW-101 – Application of Village of Amherst Water Utility, Portage County, Wisconsin, to Construct a Nitrate Treatment System for Well No. 1

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

550-WR-103 – Application of Black River Falls Municipal Electric and Water Utility, Jackson County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

620-CW-101 – Application of Blue River Municipal Water and Sewer Utility, Grant County, Wisconsin, to Construct Well No. 2

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

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1120-CW-105 – Application of Chippewa Falls Department of Public Utilities, Chippewa County, Wisconsin, to Construct the West Water Treatment Plan

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2600-WR-104 – Application of the City of Horicon Water Utility, Dodge County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3730-CW-100 – Application of Mindoro Sanitary District Number One, La Crosse County, Wisconsin, to Construct Well No. 2 and Repair the Existing Treatment Facility

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4225-WR-102 – Application of Northfield Sanitary District No. 1, Crawford County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4970-CW-103 – Application of Reedsburg Utility Commission, Sauk County, Wisconsin, to Construct Municipal Well No. 8

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6020-CW-101 – Application of Union Grove Municipal Water Utility, Racine County, Wisconsin, to Construct Well No. 3 Water Treatment Facility

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6500-WR-105 – Application of Whitehall Municipal Water Utility, Trempealeau County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

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6530-CW-104 – Application of Whiting Municipal Water and Sewer Utility, Portage County, Wisconsin, to Construct Improvements to Wells No. 2 and 7, Including Pumping, Controls and Treatment Upgrades

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4220 – Northern States Power Company-Wisconsin's Request to Implement Voluntary Energy Efficiency Programs

The Commission modified and approved the 2009 voluntary energy efficiency programs proposed by Northern States Power Company-Wisconsin (NSPW).

The Commission approved the proposed programs through 2011.

The Commission approved the proposed evaluation plan on the condition that NSPW work with Commission staff to develop survey instruments, agree upon evaluation methods, and establish participation and energy savings baselines.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

6690-UR-119 – Application of Wisconsin Public Service Corporation for Authority to Adjust Electric and Natural Gas Rates

Wisconsin Public Service Corporation's Community Based Pilot Plan

The Commission modified and approved the community-based pilot plan and the Focus on Energy implementation plan filed on behalf of Wisconsin Public Service Corporation (WPSC) for additional energy efficiency and renewable initiatives.

The Commission determined that WPSC will be allowed to proceed with implementing the first community pilot in Brillion.

The Commission determined that the following modifications will be required to the final plan for the first community pilot and the preliminary plans for the second and third communities:

- 1. WPSC shall develop quantitative goals for all three community pilots.
- 2. WPSC shall explore rate options for the second and third communities that are more than variations of the existing rate options.

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The Commission determined that the first round of grants will be limited to \$1 million for the Cross-Portfolio Opportunity Grant Program. The Commission further determined that Commission staff shall be involved in the approval of the selection criteria and shall have a role on the selection committee. After the first solicitation has been completed, Commission staff shall make a recommendation to the Commission as to the appropriate use of the remaining funds.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-GF-187 – Smart Grid Grant Proposals from Wisconsin Entities

The Commission approved a draft letter of full support to the U.S. Department of Energy regarding the application to be filed on behalf of Wisconsin Electric Power Company for a federal Smart Grid Demonstration Grant for a distributed energy storage project.

6720-DR-101 – Petition of AT&T Wisconsin for Declaratory Ruling that its "U-verse Voice" Service is Subject to Exclusive Federal Jurisdiction

The Commission discussed the record in this matter and determined that it should defer the request for a declaratory ruling filed on behalf of Wisconsin Bell, Inc., d/b/a AT&T Wisconsin (AT&T), for a period of 12 months to allow for a ruling from the Federal Communications Commission (FCC). The Commission further conditioned the order upon the utility maintaining its current practices regarding the payment of universal fund assessments and intrastate access charges. Commission staff was directed to monitor Voice over Internet Protocol (VoIP) issues and to seek comments on relevant VoIP issues from stakeholders and to report to the Commission no later than September 20, 2010, and sooner if the FCC acts on VoIP classification.

Commissioner Azar dissented.

The Commission directed the Telecommunications Division to draft an interim order consistent with its discussion.

The Commission adjourned the meeting at 11:18 a.m.

Sandra J. Paske Secretary to the Commission